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Collaboration AMONG School Boards

Working Together for Better Value

The Education Improvement Commission
October 2000

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1. Introduction

Our aim in this report is to contribute to the development of greater collaboration among Ontario's district school boards. As a case study in how school boards can benefit from greater collaboration, the EIC conducted an in-depth survey of cooperative purchasing activities. In this report we outline what we learned from our case study and discuss how our findings can be used to increase collaboration among boards, in all areas of their operation.

Background to the Study

The EIC was established in 1997 to oversee the transition to a new system of district school boards. This process involved the amalgamation in January 1998 of Ontario's 129 school boards into 60 new boards, and the simultaneous creation of 12 new French-language boards. The following year, the Minister of Education asked the EIC to undertake a systematic progress review of the 72 new school boards.

At the request of the Minister, our reviews focused on six areas of school board restructuring. Three of these areas were of particular importance to the development of our study of collaboration in purchasing:

- innovative and cost-effective ways of delivering non-teaching services (including cooperatives, consortia, partnerships, and joint labour-management initiatives)
- forward-looking practices that have helped boards implement education reforms
- opportunities to increase the effectiveness and efficiency of board operations.

Our findings on boards' progress in each of these areas were published in 72 individual board reports. We also summarized our findings in three interim reports and our final report, *The Road Ahead - IV: A Report on Improving Schools Through Greater Accountability* (April 2000).

> *There are numerous cooperatives in operation across the province that provide examples of good public policy and administration.*

Our progress reviews revealed that many of Ontario's school boards have developed new ways of doing business that increase the cost-efficiency and quality of services. For example, many boards are working together in areas such as purchasing, transportation, professional development, and information technology. These collaborative

ventures, which were documented in the EIC's *Best of Effective Practices* (April 2000), allow boards to share the benefits of reduced costs, reduced duplication, increased expertise, and improved quality of services.

The progress reviews also taught us that collaborative ventures among school boards are examples of good public policy and administration. We found, for instance, that collaboration is one of the most effective strategies available to school boards to ensure that they are directing as much money as possible to the classroom. Nonetheless, collaboration among boards has still not become the norm in Ontario.[1]

In *The Road Ahead - IV*, we said that boards should share more services. We also acknowledged that some roadblocks - both practical and political - need to be overcome for greater collaboration to take place. Therefore we recommended that the Ministry of Education "develop a process that will lead to greater cooperation and sharing of services among school boards, so boards can redirect more money to the classroom."[2]

Our Focus

Purchasing provided the EIC with the opportunity to investigate a wide variety of collaborative models that often included other public sector partners.

The EIC's progress reviews provided an excellent starting point for investigating collaborative ventures among district school boards. The reviews revealed numerous examples of collaboration in several areas, of which purchasing is one of the most prevalent. Collaborative purchasing among school boards has a relatively long history in Ontario and other jurisdictions, and so allowed us to investigate a wide variety of collaborative ventures, many of which include partnerships between school boards and other public sector agencies. As a result, purchasing is the area on which we will focus in this report.

Our study of purchasing cooperatives in Ontario, as well as in other jurisdictions in Canada and the United States, taught us a great deal about collaborative purchasing among school boards. It provided us with detailed information in the following areas:

- the history of collaborative purchasing
- the ways in which cooperatives acquire goods and services
- the different types of cooperative purchasing models
- the relationship between school boards and cooperatives
- the impact of cooperative purchasing
- examples of innovative practices within purchasing cooperatives
- the benefits and challenges of cooperative purchasing
- factors that determine the success of collaborative purchasing ventures
- future directions of collaborative purchasing in Ontario.

More importantly, our research convinced us that our findings about cooperative purchasing can and should be used to further the successful development of collaborative ventures in many other areas of school board operations.

Our research reveals that school boards can and do benefit from collaboration. But such ventures among Ontario's school boards tend to have developed informally, and so have not reached their full potential. In our view, a systematic approach to building greater collaboration among school boards, including cooperative ventures and shared services, is required. That is, we believe the ministry, in partnership with school boards, should establish a set of strategies to ensure that boards take a more coordinated approach to developing collaborative ventures across their full range of operations. Such an approach would help to maximize the benefits of collaborative ventures.

We need to identify, test, and fully evaluate a range of models of collaboration to

determine which models will best support a wide range of effective and sustainable partnerships among school boards.

We believe that a more systematic approach to increasing collaboration is a necessary and worthwhile goal. For example, school boards need to take some immediate steps to develop policy and accountability frameworks in this area. However, we believe that in the long run, significant movement towards new levels of collaboration among boards will require leadership from the Ministry of Education. Therefore, we conclude our report with a set of recommendations that the ministry identify, test, and fully evaluate a range of models of collaboration to determine which models will best support the development of effective and sustainable partnerships among school boards.

2. A Case Study in Collaboration: Purchasing Cooperatives

Our Objectives

The EIC believes that increased collaboration will help school boards make the most efficient use of their resources to improve the quality of education for students. With this goal in mind, we identified three objectives to guide our case study in collaboration.

Our first objective was to help school boards that have developed collaborative purchasing ventures to identify areas for improvement, and to give guidance to boards that have found the development of such ventures difficult. In pursuing this objective, we identified the following topics for investigation:

- the number - and nature - of collaborative purchasing ventures among school boards in Ontario and in other jurisdictions
- the various models of accountability and governance that boards have developed to monitor and report on the effectiveness of collaborative purchasing ventures
- the challenges or roadblocks that boards have faced in developing such ventures
- the benefits of collaborative purchasing and the conditions required for the successful development of such ventures.

Our second objective was to apply our findings about collaborative ventures in purchasing to a wide variety of board operations. Specifically, we explored how collaborative activities, such as cooperatives and shared services, among school boards can be improved and increased.

Our third objective was to advise the Ministry of Education, through our research findings, about the next steps required to identify the models that will best support greater collaboration among school boards.

What We Did

Having defined our three main objectives, we set out to design a list of questions to guide our discussions with purchasing cooperative representatives. We also established an advisory group composed of professionals from school board purchasing departments and representatives of employee federations, professional purchasing associations, principal associations, and private sector organizations.

Following input from the advisory group and feedback from EIC teams who visited two pilot sites, we finalized a

list of topics and questions to guide discussions with collaborative purchasing groups in Ontario and other jurisdictions.

Over the course of our study, teams composed of an EIC commissioner and senior staff representative, a writer, and in most cases an advisory group member, visited or spoke to representatives from 23 purchasing cooperatives in Ontario. To encourage networking among purchasing professionals across the province, we created an inventory to describe each of the cooperatives. This inventory represents the vast majority of purchasing cooperatives in the province and illustrates the range and scope of current collaborative activities.

We also conducted research in other jurisdictions across Canada and the United States to learn how practices in use elsewhere could help us to further develop collaborative ventures in Ontario. In this report we have included a list of sites in other jurisdictions including web links that purchasing professionals might find useful.

Staff from school board purchasing departments helped the EIC contact collaborative purchasing groups. We met with board representatives and, where the purchasing group included other public sector agencies, we held discussions with members of those agencies. In each of our visits we discussed the group's history, structure, and main areas of business; accomplishments and challenges; strategies for setting goals and monitoring performance; accountability structures; and priorities for the future. To understand the impact of collaborative purchasing on different groups, our teams also met - where possible - representatives of employee groups, local businesses, supply companies, and end user groups (e.g., school principals).

The EIC would like to thank everyone who participated in this study. We appreciate the time that people took out of their busy schedules to meet with us. Most of all, we appreciate the thoughtful input that helped us understand this important topic. In particular, we are grateful to the advisory group members, who contributed their time and expertise to make this study a success.

3. What We Saw

What's Happening in Ontario?

A Brief History of Collaborative Purchasing in Ontario

Collaborative purchasing, in comparison with other areas of operation, has a relatively long history in Ontario among school boards and other public agencies. Three of the purchasing cooperatives whose representatives we met during our study had been operating successfully for over 20 years. The remaining cooperatives that we studied had been in place, on average, for a little under 10 years.

The considerable growth of collaborative purchasing ventures over the last decade is in part the outcome of initiatives introduced by the Ministry of Education to stimulate collaboration among boards. These initiatives include:

1. **Transition Assistance Funds (TAF):** In 1993 over 40 school boards received Transition Assistance Funds (TAF). As reported in a 1995 study of TAF initiatives,[3] these funds stimulated cooperative activities in more than 10 areas, including technology, curriculum, purchasing, and staff development. Over $20 million in TAF funds were distributed to fund a total of 103 projects.[4]

2. **The Metro Task Force on Cost Savings Through Cooperative Activities:** In 1994 a task force was

established by the public school boards in Metropolitan Toronto, the Metropolitan Separate School Board, and the Ministry of Education to identify ways to save money through cooperative services. In its final report (May 1995), the task force recommended that Metropolitan Toronto's public school boards proceed with plans to establish a purchasing and warehousing cooperative. In September 1996, the Public School Boards of Metropolitan Toronto Purchasing and Warehousing Cooperative was established to serve seven of the eight public boards in the Metro area.

3. **School Board Restructuring Funds:** To assist the province's new district school boards after amalgamation in January 1998, the Ministry of Education allocated over $380 million in school board restructuring funds. Just over $50 million of this sum was awarded to support a wide range of collaborative projects involving two or more boards.

While ministry initiatives have provided some important incentives for boards to collaborate, these initiatives alone do not tell the full story of why partners have chosen to develop collaborative ventures.

Research tells us that potential savings are the chief reason why school boards and other public agencies collaborate.[5] Our discussions with 23 cooperative purchasing groups across the province revealed a similar pattern. Cooperative groups are formed because members believe that collaboration will allow them to achieve *best value*, a term that encompasses reduced costs, improved quality, improved risk management, and enhanced services. In fact, many purchasing cooperatives were formed because members, including both school boards and other public agencies, shared a common philosophy of making the most efficient use of public dollars.

Our study showed that other factors that motivate groups to work together include public demand for fiscal restraint; the potential to work more efficiently; greater opportunities for sharing expertise; directives from senior staff; a desire to build new networks among boards and other public sector agencies; and school board restructuring.

Collaborative Purchasing Today

Who Are the Partners?

Cooperative purchasing groups in Ontario comprise anything from two coterminous school boards working together informally to more than 40 member agencies collaborating under a more formal structure.

Table 1

Partnering Agencies	Number of Sites
Coterminous school boards	3
Coterminous school boards and other public sector agencies	12
School boards within a region and public sector agencies	4
School boards in a province-wide cooperative	1
Other	3
	23

As shown in Table 1, the most common type of cooperative includes two or more coterminous school boards and a variety of other public agencies such as hospitals, municipal offices, conservation authorities, public libraries, universities, community colleges, and public utility offices. However, we also saw cooperatives or joint departments that were composed only of coterminous school boards; cooperatives that included coterminous and neighbouring school boards, as well as other public sector agencies; and a province-wide cooperative created in January 1998 by the 12 newly formed French-language boards.

How Do Cooperative Purchasing Groups Acquire Goods and Services?

For the most part, purchasing cooperatives in Ontario acquire goods and services through a combination of two approaches:

Joint tendering: As described by representatives from one cooperative, joint tendering involves centralized strategic planning with decentralized operations. This means that two or more agencies agree on common specifications for a list of goods and services and then develop joint tenders for suppliers to bid on. To participate in a joint tender, each agency is required to "opt in" before the contract is tendered. This requirement guarantees the total volume of goods to be purchased through the contract and allows member agencies take advantage of greater economies of scale.

The outcome of joint tendering is a single contract with a vendor who agrees to supply two or more of the participating agencies with a good or service under a common set of conditions, including price. However, the vendor works separately with the individual purchasing department of each of the agencies. For example, each agency issues its own purchase orders and is billed separately by the vendor.

Piggybacking: In this more informal approach to cooperative purchasing, participating agencies tender individual contracts, but include language in their contracts that enables other public sector agencies to purchase a commodity from the vendor under the same terms and conditions (e.g., price). The piggybacking approach typically involves larger agencies extending the advantages of large volume contracts (i.e. lower prices) to smaller agencies. Because the total volume of potential purchases is not reflected in the original contract, it is possible that agencies using this approach may not receive the lowest unit price possible. Most agencies also include piggybacking language in joint tenders.

How Do Cooperative Purchasing Groups Operate?

Representatives at each of the 23 sites we visited referred to their shared arrangement as "cooperative purchasing." Despite this common terminology, our study revealed that different groups go about cooperative purchasing in very different ways. As Table 2 shows, a variety of models of cooperation are currently in use.

Table 2

Collaborative Model	Number of Sites
Buyers' Network	2
Lead Agency	16
Shared Administration	3
Regional Service Agency	1
Other	1
	23

The least formal of all the models we encountered is the **buyers' network**. In this model a variety of public sector partners come together primarily to share information and expertise. Members tend to share a commitment to collaborative work but, for various reasons, do not establish a formal list of standardized goods and services for joint tendering. Therefore, while a buyers' network may have a small number of joint contracts, for the most part members rely on the "piggybacking" approach to cooperative purchasing.

The **lead agency** model is the most common form of cooperative purchasing in Ontario. Cooperatives that adopt this model agree on the specifications of an item or service that two or more of the participating agencies use in common, and then designate one agency from the group to take the lead on tendering for the item or service. The main benefit of a lead agency model is its potential to reduce the workload usually associated with tendering. This is because the various members of the cooperative share the lead responsibility for tendering for different

commodities. For example, in one cooperative we visited, a total of 50 commodities are tendered jointly. However, each of the 11 participating agencies is responsible for taking the lead (i.e., research, developing tenders, handling any disputes with suppliers) for only 3 to 5 commodities.

While buyers' networks operate quite informally, cooperatives that work under a lead agency model tend to adopt more formal operating procedures. We found, for example, that most are governed by a constitution that defines:

- the roles of the cooperative's executive committee (e.g., the chair and vice-chair)
- common terms and conditions for cooperative purchasing
- voting rights for core and associate members
- a code of ethics to be followed by all members.

In addition, some cooperatives that use the lead agency model have initiated strategic planning processes to set long-term goals; produced annual reports that document their activities and achievements; developed strategies to measure cost savings; and developed strategies to facilitate communication among member purchasing departments, or between purchasing departments and their home agencies and the public.

Shared administration is a third cooperative purchasing model used by school boards that we visited. Under this model, two or more boards agree to establish a single department that will provide some or all services for the participating boards. With the creation of one department, participating boards are able to eliminate duplication and reduce office space. Examples we saw of shared administration include the creation of a joint purchasing policy and the development of a purchasing department owned jointly by the participating boards.

Because the success of the shared administration model depends on a higher level of support from the participating boards, we found that trustees and senior staff tend to play a larger role in developing and monitoring these types of cooperatives. This involvement is one of the greatest strengths of the shared administration model. However, despite this model's obvious advantages, we found that none of the sites we visited during our study had fully integrated its members' purchasing departments: staff were still employed by their home boards and joint purchases were restricted to a relatively limited list of standardized commodities.

Our study also revealed one example of what might be called a **regional service agency**. In many respects, this agency is similar to models that have been developed in other jurisdictions across Canada and in the United States (see "What's Happening in Other Jurisdictions?", page xx). First developed in 1977, this agency exists to provide school authorities in northern Ontario with a range of curriculum and administrative services. These services include human resource management, supervisory officer services, student counselling, professional development, and information technology support. The agency is run by a small staff and is governed by trustee representatives of member school authorities. Like a cooperative, it is able to achieve economies of scale by coordinating the delivery of services to a group of school authorities, which relieves each authority of the need to establish individual contracts.

Purchasing Cooperatives and School Boards

In each of our site visits, we asked school board representatives to describe their board's role in supporting and/or monitoring collaborative purchasing activities. We heard that in some cases, the directors or senior business officials of participating boards are actively involved in the operation of a purchasing cooperative. For the most part, however, senior staff endorse or recognize the cooperative and delegate to senior purchasing staff the authority to make purchases for the board through the cooperative in accordance with the board's purchasing policy. Senior staff rarely direct resources or other active support to purchasing cooperatives, or monitor their activities. With few exceptions, we were told that senior staff and trustees from participating boards do *not* require purchasing staff to monitor or report on collaborative activities (e.g., cost savings or the percentage of goods and services that are purchased collaboratively). This largely informal relationship between school boards and purchasing cooperatives raises some critical policy questions, which we discuss on pages 17 and 21.

Moving Beyond the Traditional Menu of Goods and Services

We know that most school boards participate in some form of cooperative purchasing venture. This subsection and the two that follow examine, respectively, the range of goods and services that boards purchase cooperatively; the proportion of their total purchasing that is done cooperatively; and the dollar savings that are realized through this collaboration.

In the majority of Ontario's purchasing cooperatives, joint tendering is limited to a fairly narrow range of goods and services. For example, school boards commonly cooperate in the purchase of fine paper and classroom supplies, but often cannot reach agreement on common standards for other, more complex items such as computers and photocopiers. This is the case in many of the sites that we visited, especially those involving a variety of public sector partners. However, a few purchasing cooperatives - both old and new - have ventured into more complex commodities, including computers, natural gas, and capital and debt financing. Our study revealed that purchasing cooperatives in Ontario that have succeeded in expanding their menu of goods and services to include more complex commodities have one or both of the following characteristics:

- They have developed concrete strategies to increase standardization and expand their menu of goods and services.
- They have allocated resources - either by hiring staff or engaging outside consultants - to increase their expertise and administrative capabilities.

School boards as a whole are only cautiously embracing joint ventures that involve non-traditional commodities. However, as successful ventures of this type demonstrate, the allocation of appropriate resources provides boards with the staff time and expertise required to negotiate complex contracts cost-effectively and efficiently.

How Much Do School Boards Purchase Cooperatively?

While Ontario's district school boards are moving towards greater collaboration in purchasing, the majority of boards purchase only a small percentage of goods and services collaboratively. In most cases, school boards make about 20 per cent (by dollar value) of their total purchases through collaborative ventures. However, in some purchasing cooperatives, such as those based on shared administration, as much as 60 per cent of member boards' total purchases are made jointly.

The reasons for the relatively low volume of joint purchasing include resistance to change and the fear of losing control over purchasing. A full discussion of challenges related to collaborative purchasing follows on page **xx**.

Are Purchasing Cooperatives Helping Boards to Reduce or Avoid Costs?

Most purchasing cooperatives in Ontario do not have formal ways to measure or report the savings achieved through collaborative purchasing. However, we heard consistently from representatives that cooperatives *do* make significant dollar savings through joint purchases. Some school boards and cooperatives gave examples of savings on specific goods and services. One board reported that it had reduced its annual costs for elevator maintenance by over 30 per cent through participating in a joint tender with other public sector agencies in its region. And a cooperative that has tracked cost reductions over a five-year period reported that joint purchasing had saved each of the participating boards an average of between 8 and 12 per cent of their annual costs.

We found that while some cooperatives have developed methods to calculate savings, there is no single approach. For example, one cooperative compares each member's historical costs (i.e., before the establishment of the cooperative) for specific goods and services to current costs. It also calculates the administrative savings made through the reduction in the number of purchase orders and cheques for each commodity. Another cooperative compares the costs of independent purchasing (tracked largely through market research) with its actual costs through cooperative purchasing.

The Growth of Innovative Practices

Over the course of this study, representatives from purchasing cooperatives across the province shared a wealth of innovative ideas and practices with the EIC. We saw some excellent examples of innovation in the following areas:

- strategic and business planning
- policy development
- monitoring and reporting on performance, including strategies to measure and report on cost savings and cost avoidance
- methods to support collaboration among French-language and English-language school boards
- mechanisms to achieve greater standardization in commodities which have not traditionally been purchased collaboratively
- communications and marketing
- professional development
- collaborative purchases of complex commodities (e.g., utilities, financing, facilities management).

As well as innovative practices that have developed *within* purchasing cooperatives, we also heard about initiatives taking place among representatives from different purchasing cooperatives in the province. In 1991, for example, the purchasing committee of the Ontario Association of School Business Officials published a brochure entitled "A Guide to Cooperative Purchasing for School Boards."

We believe that both new and established purchasing cooperatives would benefit from learning more about these exemplary practices. To encourage greater sharing among cooperatives in the province, we have created an inventory of the 23 sites that we visited.

Future Directions

As we have discussed, cooperative purchasing groups in Ontario have formed around a set of common goals, including efforts to achieve best value and to promote activities such as professional development. We also found common goals in the future plans of cooperative groups. They include:

- increasing the collaborative purchase of more complex commodities and those which have not traditionally been purchased jointly
- increasing the standardization of products
- improving tools for measuring and reporting on performance, in order to promote the value of collaborative ventures
- developing strategies to ensure that smaller agencies are consistently involved in the decision-making process and cooperative activities (e.g., research, developing and evaluating bids)
- increasing opportunities for professional development
- monitoring the advancement of e-commerce and its impact on purchasing.

We also frequently heard individuals discuss their desire to see their work in cooperative ventures receive greater recognition by their home agencies. For example, many individuals have made it their goal to have their organizations recognize cooperative activities as an integral, mandatory part of their job descriptions.

What's Happening in Other Jurisdictions?

Setting the Context

To complement our research in Ontario, we also investigated cooperative purchasing in some other Canadian provinces and in parts of the United States. We found that cooperative purchasing has been a common practice in public sector organizations in these jurisdictions for many years. In this section, we highlight examples of successful purchasing cooperatives and innovative practices from other jurisdictions that could help to further the development of collaborative ventures in Ontario.

For the most part, purchasing cooperatives in other parts of Canada are similar to those in Ontario. However, in the United States, differences in the education system and in purchasing legislation from those of Ontario have created forms of collaboration not found in this province.

For example, school boards in the United States receive both federal and state funding, and so must comply with two levels of legislation regarding their purchasing practices. Many legislated purchasing practices are complex and time consuming. Most states also have far more school boards than Ontario, and American boards are typically much smaller than the average Ontario board, and so lack the staff and resources needed for successful independent purchasing. As a result of all these factors, many public sector agencies, including school boards, use purchasing cooperatives in order to avoid the administrative time and expense required to comply with the legislation. In contrast, while Canada's judicial system requires purchasing to be conducted in a fair, consistent, and open manner, actual purchasing processes are not as regulated, and can be established by agencies (e.g., school boards, government ministries) themselves.

A Variety of Models

Our research revealed that the lead agency and buyers' network models are common across Canada and the United States, as they are in Ontario. In New Brunswick and Yukon, each of which has a relatively small number of schools, purchasing is fully centralized through government Purchasing Agencies. We also discovered, in the United States, two forms of collaboration that are not currently found in Ontario.

1. Education Service Agencies: These agencies were created through legislation, often as long ago as the 1950s, to provide education support and business services to school boards within a given region. The services they provide to boards include purchasing (through such strategies such as joint tendering and piggybacking), special education, professional development, financial services, transportation, print services, and testing and assessment.

Most service agencies have full-time staff and are governed by a board of directors elected by the school boards the agency serves. Because the agencies receive state funding, their executive directors are evaluated by the state's commissioner of education, as well as by their own board of directors.

In many cases, these agencies were created to ensure equity of service to students across the state by levelling out the relative purchasing power of small and large boards. For example, some education service agencies are mandated to establish contracts for goods and services that smaller school boards in the region can piggyback onto, if they wish.

2. Educational Procurement Organizations: This type of organization is similar to the education service agency in that its primary objective is to provide service to school boards. However, the crucial difference is that an educational procurement organization is not a state-supported endeavour, but rather a procurement *business* run on a fee-for-service basis. Another difference is that it actually purchases goods on behalf of its members. We found only one example of this type of cooperative in our research.

Like boards in Ontario, school boards across North America use a variety of cooperative purchasing models, depending on the goods or services they require. For example, a board may use an informal regional buyers' network for office supplies and paper products, and an education service agency's joint tenders for computer software and photocopiers.

Some Innovative Practices

Across North America, significant steps are being taken to support cooperative purchasing in the public sector. Our research revealed four types of innovative practice that could be applied to Ontario's education system.

One such practice is **support for collaborative ventures** by education associations or government departments. In the United States, state associations of school board officials offer strong support for purchasing staff and purchasing cooperatives. They provide comprehensive professional development for purchasing staff, including strategies for effective collaboration. Boards pay a membership fee to the association and also pay for specific services such as training. In some states, the department of education or state procurement office plays a similar role.

Another innovative practice is the move towards operating education service agencies on a **cost-recovery** basis. In the United States, many education service agencies have seen major reductions in their state funding. As a result, they are recreating themselves based on more business-focused models. Such agencies are not profit-driven, but they are based on the premises that they will be "in business" only as long as their services meet the needs of their clients, and that any costs incurred in delivering the services can be recovered.

Our research also revealed some excellent **web-based cooperative purchasing systems**. These systems support cooperative ventures by providing school boards with quick and easy access to a large number of contracts. Typically, a cooperative posts contracts on its website, allowing members to browse and to compile a "shopping cart" of commodities that is then translated into a purchase order. In the case of cooperatives that use the joint tendering system, future bids may be posted on the website for members to browse through. Members then request participation in the upcoming bids in which they are interested. Many purchasing cooperatives with websites post invitations to bid and requests for proposals online. The BCBid website, run by the purchasing services branch of the British Columbia Purchasing Commission, is a good example of this kind of system. We heard that some purchasing cooperatives plan to expand their web-based purchasing systems to provide a direct interface with vendors, and eventually to link the cooperative's purchasing system with customers' accounting systems.

Finally, many state and city procurement offices in the United States have created policies that mandate **inclusive purchasing practices**. Their policies include a commitment to ethical practices and the support of small businesses and businesses run by women and/or minorities. Staff regularly monitor suppliers to ensure that they are fulfilling the policies.

4. What Have We Learned?

As we have discussed throughout this report, our research has taught us a great deal about the variety of collaborative purchasing models that exist in Ontario and other jurisdictions. The knowledge we have gained allows us to understand how we might enhance collaborative purchasing in the future. In this section, we discuss what we have learned about the benefits of collaborative purchasing; address the issues that make it difficult for purchasing cooperatives to reach their full potential; and present a vision of what a successful purchasing cooperative might look like if current issues were resolved.

The Benefits of Working Together

While the full range of financial benefits that can be achieved through collaboration is hard to measure, we consistently heard that potential savings on the cost of goods and services is a major advantage of purchasing cooperatives. These savings are achieved because collaboration allows boards to take advantage of economies of scale by making larger purchases.

We also learned that the benefits of collaboration extend beyond simply saving money to helping school boards achieve "best value." This means that by working together in areas such as purchasing, boards reduce their costs *and* benefit from improvements in the quality of goods and services and greater efficiencies in their purchasing processes, advantages that are passed on to their staff and students.

When cooperatives include both small and large boards or agencies, the benefits of collaboration tend to be greater for the smaller partners. This is because, on their own, small boards and agencies cannot achieve economies of scale through the volume of their purchases. Nor do they have access to a broad range of expertise, because the purchasing department or division is typically staffed by a single person. Despite this "imbalance" in the advantages of collaboration, we were pleased to hear from both large and small partners that the goal of collaboration is to make the most efficient use of public money, regardless of which board or agency benefits most.

The financial benefits of collaboration have traditionally been viewed as the greatest incentive for school boards to work together. However, the other benefits of collaborative purchasing, while not easy to quantify in dollar terms, can lead directly to improvements in the quality and efficiency of board operations. We consistently heard from representatives of purchasing cooperatives in Ontario and other jurisdictions that collaborative activities:

- reduce workload and the duplication of tasks
- increase expertise by making skills and knowledge available to a larger group
- improve relationships with vendors *and* end-users (e.g., schools) by streamlining procedures
- foster new and innovative ways of doing business through the sharing of best practices
- contribute to improved problem solving
- increase professionalism by providing greater opportunities for both formal and informal professional development
- create greater equity between small and large boards by giving small boards access to resources that they could not provide on their own
- help to develop trust and to improve working relationships among boards.

Another study on collaboration among school boards concludes that the value of these benefits beyond simple financial savings "should not be underestimated,"[6] and we believe our research supports this conclusion.

Challenges to Collaborative Purchasing Ventures

A great deal of goodwill and hard work has gone into the development of collaborative purchasing ventures in Ontario, and many member organizations would like to move forward towards greater collaboration. However, several challenges impede such progress and need to be addressed. They include:

Time: Most collaborative ventures in Ontario were formed and are run by a committed group of volunteers. Very few ventures enjoy the support of a dedicated staff person. As a result, members have to balance their collaborative activities with their regular work commitments. This is particularly challenging at times of high activity (e.g., when new contracts are being tendered) and for individuals who make large voluntary commitments to the cooperative (e.g., members of the executive committee).

Size: For the most part, collaborative ventures begin as local initiatives, and often remain limited to a restricted geographic area. This local nature of cooperatives may limit their potential. Nonetheless, we heard that several factors have deterred cooperatives from considering expansion. They include lack of time, concerns about increased delivery costs, and lack of support from senior officials.

Knowledge: While professionals in the purchasing field can obtain credentials through a variety of postsecondary institutions and professional associations, formal training that is dedicated to and focused on the topic of

collaboration has not yet emerged.

Resources: School boards and other public sector agencies do not typically allot the time or funds needed to develop or improve cooperative purchasing ventures. In the absence of designated funds, agencies have had to rely on ministry initiatives (e.g., school board restructuring funds) to fund such ventures.

Impact on local vendors: Purchasing cooperatives face the ongoing challenge of balancing the benefits of economies of scale with potential impacts on local economies. While joint tenders generate lower prices through bulk purchasing, many cooperatives fear that small, local vendors often cannot compete with the volume and delivery options that larger vendors can offer.

Standardization: Reaching agreement on standard specifications for goods and services is a constant challenge for members of purchasing cooperatives. This is especially true of cooperatives with diverse partners. Traditional buying preferences and the purchasing policies and procedures of individual organizations impede standardization and stall growth.

Support: A lack of political and organizational support is clearly one of the greatest challenges that most purchasing cooperatives face. While some collaborative ventures among school boards receive a great deal of support from trustees and senior staff, the members of most cooperatives struggle continuously to gain recognition and support for their work.

Trustees rarely set as policy the expectation that their board will work collaboratively with other boards in purchasing. Consequently, in the majority of boards:

- Trustees do not hold senior staff accountable for monitoring the performance of such ventures.
- Trustees and senior staff do not recognize collaborative purchasing activities as strategic to the board's performance or success.
- Collaboration is not formally recognized in employees' job descriptions or evaluations.
- Efforts to standardize goods and services with other organizations are not a priority.

As a result, purchasing cooperatives do not become embedded in the organizational structure or culture of school boards. Rather, they are most often informal and run by a small group of committed individuals. It is difficult to imagine how such ventures will grow or even be sustained in the long term.

A critical lesson that EIC teams learned over the course of this study is that organizations, not individuals, are the key to successful collaboration. By this we mean that the potential for greater collaboration among school boards will be difficult to fulfil until collaboration becomes a priority for school boards as a whole, and not only for a few dedicated individuals within boards. While our case study focused on collaborative purchasing, we believe this conclusion holds true for collaborative ventures in all areas of board operation. The final section of this report, "Our View," discusses this theme in more detail.

What Needs to Be in Place for Collaborative Ventures to Succeed?

What would collaborative ventures look like if the challenges that stand in the way of greater collaboration were resolved? Our study revealed that collaborative purchasing ventures can succeed if certain factors are in place. They include:

- consistent recognition and support from trustees and senior staff of participating boards
- consistent leadership
- dedicated time and resources (e.g., a dedicated staff person)
- an agreed vision of collaboration that includes as a central principle a commitment to working together for

the benefit of the students and staff of all participating boards.
- the development of a long-range strategic plan
- a strong focus on customer service
- effective communication strategies among participating boards
- a high level of trust and commitment to shared decision making.

5. Our View

Our investigation of purchasing cooperatives in Ontario and other jurisdictions served as a case study in collaboration. In our view, this study is an important first step towards understanding how we can increase - and improve - collaborative ventures among school boards in areas such as human resources, student support services, plant operations, transportation, program delivery (e.g., distance learning), and a full range of business services.

Collaborative activities of all types hold many potential benefits for school boards. We have identified some critical challenges that must be addressed before greater collaboration can become the norm among Ontario's school boards. But we believe, along with many of the purchasing cooperative representatives that our study teams spoke with, that these challenges can be resolved.

We believe that greater collaboration will help school boards and Ontario's education system to make more efficient use of resources and so improve the quality of education for students. In this final section of our report we describe the next steps that boards and the Ministry of Education need to take to increase collaboration among school boards across the province.

Maximizing the Benefits of Collaboration

The number of collaborative ventures among school boards across Ontario has grown in the last ten years. Most of this growth has been stimulated by ministry initiatives, but much is the direct result of the goodwill and hard work of committed individuals in school boards and other public sector agencies. We recognize this commitment and we believe that much more can, and should, be done to further develop collaborative ventures across the province.

Because collaborative ventures often lack consistent organizational support, they are developed and often run on an *informal* basis. For example:

- Goals and operating structures tend to be informal.
- Support from senior staff and governing boards is limited.
- Accountability frameworks and strategies to monitor performance are undeveloped.
- Long-term viability tends to rest on the goodwill of member boards and agencies.
- Only a small percentage of boards' activities are pursued cooperatively.

In addition, the characteristics of collaborative ventures and the degree of collaboration lack consistency across the province.

Notwithstanding this informal approach, many cooperatives have been able to develop some innovative and cost-effective practices in individual or local settings. While we applaud these achievements, we believe that an *increase* in collaboration is now needed (including, for example, a wider range of services, networks spanning larger areas of the province, and more consistent leadership and support from participating boards or agencies) so that school

boards can achieve better value. As stated earlier, better value means that by working together, boards can reduce their costs *and* improve the quality and efficiency of their operations. It is clear that the present informal approach is unlikely to lead to an increase in collaboration.

So how can we increase collaboration among school boards? In our view, the number of collaborative ventures will grow only through the development of a more *systematic* approach to creating effective and sustainable partnerships. That is, we believe that the Ministry of Education, in partnership with school boards, should establish a province-wide set of strategies to ensure that boards take a more coordinated approach to developing a broad range of collaborative ventures.

Our research teams heard consistently that a single model of collaboration may not be suited to all the services that school boards carry out or to the needs of boards in different regions of the province. While it may not be possible - or indeed desirable - to devise a single approach, we feel that this belief has become something of an "automatic" response and, as such, is impeding progress in improving collaborative ventures and increasing collaboration. We do believe it is possible to develop a coordinated approach that will:

- help to establish collaboration among school boards as the *norm* across the province
- increase the range of cooperative or shared services
- allow school boards to approach collaboration more systematically, with a shared understanding of efficient and effective practices such long-range strategic planning, a focus on service, dedicated staffing, effective communication strategies, a commitment to shared decision making, and consistent recognition and support from trustees and senior staff of participating boards.

There are already some exemplary cooperatives among the province's school boards, which may provide a foundation on which to build a new model or models of collaboration. However, as discussed earlier, these cooperatives tend to develop as, and remain as, local initiatives that encompass only a single venture (e.g., purchasing or professional development). There is no example in Ontario of a well-developed cooperative that provides a *wide range of cost-effective services* to a *wide variety of boards* across *a wide area of the province.*

In the absence of a concrete example, it is difficult to project what a new model of collaboration for Ontario's school boards might look like. Several options seem worthy of further investigation. For instance, it may be that boards require a variety of models of collaboration, each tailored to the variety of services they deliver. It is also possible that collaboration among boards would work best under a combination of provincial, regional, and local models. Over the course of our research, we learned what, for example, a regional services model might look like in Ontario:

Who would the partners be? A regional services model would bring together a number of boards in a particular region of the province.

How might regional service offices operate? Regional service offices could be established, owned, and operated by member school boards. This would allow each centre to develop systems to meet the specific needs of the boards in its region, and would ensure that all boards shared in the costs of running the regional centres on a pro-rated basis (i.e., according to the relative size of each board).While a regional service office would provide services to school boards within a defined region of the province, there would be potential for staff from two or more regional offices to work together on special initiatives.

How might they be governed? Regional service centres could be governed by, and accountable to, each of the member boards. One possible governance structure might include the creation of a board of directors elected by each of the member school boards. In this model, each school board could participate in developing the centre's strategic goals, and accountability frameworks would be in place to hold senior staff accountable for monitoring and reporting on the centre's performance.

What types of services might they provide? A regional services model has the potential to include a wide range of services, including purchasing, accounting, payroll, transportation, professional development,

human resources, and information technology.

It is possible to envisage a regional services model for Ontario's school boards that would include a total of six service centres: north-east, north-west, south-east, south-central, south-west, and a province-wide office serving the 12 French-language boards.

A regional services model seems, along with other models, worth further investigation. However, until we have an functioning example of a regional services centre to study, we will not be able to determine the true benefits and limitations of this approach in Ontario.

This report represents only the beginning of the full dialogue that we believe is needed on the topic of collaboration among school boards. Our study of purchasing cooperatives across the province has convinced us that school boards can reach new levels of collaboration, but we don't yet know the best way to achieve greater collaboration. Several models have the potential to provide boards with cost-efficient and effective ways of working together to deliver a wider range of services in a more systematic way. But we won't know which model has the *greatest* potential until a range of models has been identified, studied, and *fully* evaluated.

Next Steps

The full potential of collaboration among school boards will be limited until boards and the Ministry of Education move towards a more systematic approach to developing collaborative ventures. We believe that school boards can take immediate steps, by to creating policies that support greater collaboration. However, the long-term growth of collaboration among boards will require greater leadership by the ministry.

In our discussion of the challenges stalling the development of purchasing cooperatives, we noted that trustees rarely set policies that direct their board to work collaboratively with other boards in purchasing. Our progress review of Ontario's school boards revealed that this lack of policy direction also acts as a barrier to collaborative activities in other areas of board operation. Most collaborative ventures are developed and run in isolation from the organizational culture of school boards.

In the absence of consistent administrative and political support, trustees and senior staff rarely recognize the importance of cooperative activities to boards' financial and operational performance. As a result, in most cases trustees do not hold senior staff accountable for promoting and monitoring the effectiveness of such ventures.

Some collaborative ventures do receive the active support of trustees and senior staff. However, we believe that *all* collaborative ventures deserve full recognition and support from trustees and senior staff. Most importantly, trustees must take immediate steps to fill the policy void that currently exists around collaborative ventures. Therefore, the EIC recommends:

Recommendation 1

That school boards take immediate steps:

a. to create policies that direct the board to work collaboratively with other boards and, where applicable, other public sector agencies, to develop cooperatives and shared services in a wider range of board operations, and

b. to develop accountability frameworks that hold senior staff accountable for promoting and monitoring the effectiveness of existing collaborative ventures.

Greater policy direction at the school board level is an important step. But we believe that the growth and long-term

viability of collaboration depends on the development of a province-wide strategy to improve, and increase, opportunities for boards to work together to deliver a wider range of services. In other words, support for collaboration among school boards needs to be more systematic. Existing examples of collaborative activities across the province allow us some insight into the nature of the support that will be needed, but this topic clearly merits further investigation.

In our view, the most effective way to formulate a new, more systematic, approach to supporting collaboration would be to establish a small number of pilot studies. The goal of such studies would be to determine which model or models of collaboration would best support a wide range of effective and sustainable partnerships among school boards and, where applicable, other public sector agencies. School boards whose staff have led existing collaborative ventures can and should play a critical role in defining the nature and scope of pilot studies.

But the success of such studies will require a level of leadership and resources that school boards alone are unlikely to be able to provide. The leadership of the Ministry of Education will be required. We believe that the ministry should also designate a staff person to guide, administer, and evaluate the pilot studies, and should provide resources to establish the pilot sites and to provide ongoing support in areas such as staff training and professional development.

Recommendation 2

> **That the Ministry of Education provide the leadership and resources needed to establish pilot studies to evaluate which model or models of collaboration will best support a wide range of effective and sustainable partnerships among school boards.**

The creation of a small number of pilot studies in different regions of the province is a reasonable goal for the Ministry of Education. As noted above, the success of these pilot studies will be enhanced if school boards and other education partners have the opportunity to provide meaningful input at each stage of the process.

Recommendation 3

> **That the Ministry of Education, in the process of conducting pilot studies, establish and take advice from a reference group that includes school board trustees; directors; senior and middle management staff; and representatives of employee groups, professional associations, and other public and private sector organizations.**

During our progress review of Ontario's 72 district school boards and our case study of purchasing cooperatives, we have learned a great deal about collaborative ventures that can and should be applied to the development of pilot studies. We have found, for example, that numerous innovative practices are already taking place in cooperatives in Ontario and other jurisdictions. Practices such as those listed on pages xx and xx should not be overlooked as the ministry works to pilot new models of collaboration.

Recommendation 4

> **That the Ministry of Education investigate the range of innovative practices that have been developed in existing cooperatives and consider these practices in developing a model or models of collaboration to be tested through pilot studies.**

We have also documented some of the factors that seem to determine the success of collaborative ventures. The significance of these factors may require further discussion and testing, but our findings provide the beginnings of a set of principles to guide the pilot studies. In our view, cooperative organizations should have the following characteristics:

- They should be owned by school boards and governed by policies that require senior staff to monitor and report on their performance.
- Their structure should reflect the fact that the various member school boards may make different policy decisions on certain issues.
- Strategic planning and the setting of short-term and long-term goals should involve all member boards.
- Collaborative ventures should have full-time staff and all member boards should share the cost of staffing.
- Collaborative ventures should have the capacity to fully serve both English-language and French-language member boards.
- Wherever possible, collaborative ventures among school boards should strive to maximize the benefits of cooperation by including partnerships with other public sector agencies.

Recommendation 5

That the Ministry of Education, in conducting pilot studies, develop a comprehensive set of principles to guide the creation of effective and sustainable models for collaboration among school boards.

We believe that greater collaboration will allow school boards to become more efficient across a range of operations and thus to direct more financial resources to the classroom. However, to help establish greater collaboration among Ontario's school boards, we will need to fully understand how new approaches to collaboration will benefit staff, students, and the education system as a whole.

We indicated earlier in this report that the effectiveness and benefits of cooperative ventures are under-reported among school boards. We believe that this situation is stalling progress towards increased collaboration. In our view, it is crucial that a model or models of collaboration be developed whose financial and nonfinancial benefits are supported by clear evidence. We believe this will be the most important factor in increasing collaboration among boards. To evaluate the strengths and weaknesses of each model, it will be necessary to determine each model's:

- ability to achieve dollar savings and the amount of money that would be redirected to the classroom as a result
- impact on the quality of services
- adaptability to different regions of the province
- adaptability to a wide range of board operations
- ability to balance the needs of French-language and English-language boards
- ability to meet the requirements of Catholic and non-Catholic systems
- capacity to increase opportunities for professional development
- impact on employee groups (in the light of the implementation of a strategic human resource plan that emphasizes the principles of equity and fairness for all employees).

The comprehensive evaluation of the model or models tested at pilot sites will give school boards and the public a clear picture of the benefits of collaboration, and will help the Ministry of Education form appropriate policy directions regarding collaborative ventures. We recommend that all data also be shared with school boards and other education partners to encourage further collaboration.

Recommendation 6

That the Ministry of Education develop strategies to evaluate the strengths and weaknesses of the model or models of collaboration tested in pilot studies, in order to ensure that school boards and the public understand the real and potential benefits of increased collaboration.

6. Summary and Recommendations

In this report we have outlined the findings from our study of purchasing cooperatives in Ontario and other jurisdictions across Canada and the United States. In addition to describing the nature of these cooperatives, we have highlighted what we learned about the benefits and challenges of such ventures. Our study of purchasing cooperatives showed that school boards can and do benefit from collaboration, and we believe our findings can and should be used to help develop collaborative ventures in many other areas of school board operation.

In our view, the Ministry of Education, in partnership with school boards, will need to take a more systematic approach to increasing collaboration if collaborative ventures are to reach their full potential in Ontario. We have defined the features of a more systematic approach and provided an example of a model of collaboration that may help us to implement such an approach across the province.

We believe that determining which collaborative model or models will best support the development of effective and sustainable partnerships among school boards and other public sector agencies is a worthwhile goal. Therefore, we encourage the Ministry of Education to study, and fully evaluate, a variety of collaborative models through the development of a small number of pilot studies. The findings from these pilot studies will help the ministry make appropriate policy decisions and will help school boards and the public understand the real and potential benefits of increased collaboration.

We believe this report represents the beginning of the full discussion that needs to take place on the topic of collaboration among school boards.

Recommendation 1: That school boards take immediate steps:

> **a. to create policies that direct the board to work collaboratively with other boards and, where applicable, other public sector agencies, to develop cooperatives and shared services in a wider range of board operations, and**
>
> **b. to develop accountability frameworks that hold senior staff accountable for promoting and monitoring the effectiveness of existing collaborative ventures.**

Recommendation 2. That the Ministry of Education provide the leadership and resources needed to establish pilot studies to evaluate which model or models of collaboration will best support a wide range of effective and sustainable partnerships among school boards.

Recommendation 3: That the Ministry of Education, in the process of conducting pilot studies, establish and take advice from a reference group that includes school board trustees; directors; senior and middle management staff; and representatives of employee groups, professional associations, and other public and private sector organizations.

Recommendation 4: That the Ministry of Education investigate the range of innovative practices that have been developed in existing cooperatives and consider these practices in developing a model or models of collaboration to be tested through pilot studies.

Recommendation 5: That the Ministry of Education, in conducting pilot studies, develop a comprehensive set of principles to guide the creation of effective and sustainable models for collaboration among school boards.

Recommendation 6: That the Ministry of Education develop strategies to evaluate the strengths and weaknesses of the model or models of collaboration tested in pilot studies, in order to ensure that school boards and the public understand the real and potential benefits of increased collaboration.

Endnotes

1. The Education Improvement Commission. *The Road Ahead - IV: A Report on Improving Schools Through Greater Accountability*, p. 33. April 2000.

2. op. cit., p. 34.

3. M. Ryall, J. Scane, and S. Lawton. *Ontario School Board Collaboration: Etiology, Barriers, General Forms and Implications.* 1995. Department of Educational Administration, The Ontario Institute for Studies in Education (Onteris File ONO7907).

4. The Ministry of Education and Training. News Release: *$20.2 Million will help cut education costs.* March 1993.

5. M. Ryall et al, p. 6.

6. op. cit.

Appendix A - Topic and Question List

A) Tell Us About Your Organization

1. Please tell us a bit about your organization's history and its overall structure.
2. Please tell us about your:
    - partnering agencies
    - customers
    - suppliers.
3. What range of products and services does your organization manage?
4. How does your organization purchase goods and services?

B) How Do You Monitor Performance?

1. How do you determine whether the consortium or cooperative is achieving its objectives?
2. What indicators are used to measure the consortium or cooperative's performance?
3. Based on the evaluation of performance, what is working well?
4. Based on the evaluation of performance, what areas have been identified for improvement?
5. In your opinion, what does an effective cooperative venture look like?

C) Governance and Accountability

1. Spending in public sector organizations requires an accountability framework. In your organization, who is accountable to the public for the spending of public funds?
2. What structures are in place for monitoring and reporting on the organization's financial performance, the implementation of policy, and ethical behaviour (e.g., conflict of interest, public process)?
3. What regular reporting expectations exist, and to whom?

4. How are senior officials paid?
5. How are contracts awarded?
6. How are complaints handled?
7. Do you have any advice to offer regarding the development of an accountability framework for an organization such as yours?

D) Cooperative Purchasing as a Venture

1. Why did you choose to identify your organization as a consortium or a cooperative?
2. What, in your opinion, are the characteristics that distinguish between consortia, cooperatives, and other partnership models?
3. What conditions are necessary for the successful establishment of a consortium or cooperative?
4. What are the pros and cons of participating in cooperative ventures for customers and suppliers?
5. Is there a point at which the size of a consortium or cooperative can reduce its viability (e.g., it is too small or too large to achieve economies of scale)?
6. Are there situations in which it makes sense not to enter into this type of venture?
7. What impact do cooperative models of purchasing have on employee groups, suppliers, and customers or end-users?
8. In what ways do cooperative ventures help public sector organizations to save money?

E) Plans for the Future

1. Please tell us about the priorities your group has identified for the future.
2. Based on your organization's history, what practices would partnering agencies want to begin, end, or continue in the future?
3. What plans are in place to respond to technological changes (e.g., e-commerce)?

F) Sharing Your Expertise

1. In closing, we would like you to highlight one or two practices that are unique to your organization and may be helpful for other cooperatives or consortia to know about.
2. And finally, if you could offer one point of advice to assist others who are involved in similar ventures, what would it be?

Appendix B - An Inventory of Purchasing Cooperatives in Ontario

1 Bruce-Grey Catholic and Bluewater District School Boards, Joint Purchasing and Transportation Department

2 Catholic School Boards Services Association

3 Conseil ontarien des directions de l'éducation de langue française

4 Dufferin-Peel Catholic District School Board-Elementary Core Resource Purchasing Process

5 Elgin, Middlesex, Oxford Purchasing Cooperative

6 Georgian Bay Area Public Purchasing Cooperative

7 Halton Cooperative Purchasing Group

8 Hamilton-Wentworth Purchasing Consortium
9 Intergovernmental Purchasing Group
10 Kawartha Cooperative Purchasing Association
11 Lakehead Purchasing Consortium
12 Niagara Public Purchasing Committee
13 Northern School Resource Alliance
14 Northwestern Ontario Cooperative
15 Ontario Member School Board Association
16 Ottawa-Carleton Educational Purchasing Corporation
17 St. Lawrence Seaway Purchasing Cooperative
18 Sudbury Regional Buying Group
19 Toronto District School Board-Purchasing and Distribution Services Department
20 Cooperative Purchasing Group of Waterloo
21 Wellington County Public Sector Consortium
22 Windsor-Essex Purchasing Cooperative
23 York Region District School Board

1. Bruce-Grey Catholic and Bluewater District School Boards Joint Purchasing and Transportation Department

A Brief History of the Joint Purchasing and Transportation Department:
From 1992 to 1998, the predecessor boards of the current Bruce-Grey Catholic and Bluewater district school boards were involved in a purchasing cooperative for certain commodities. In 1998, following school board restructuring, the two new boards amalgamated their purchasing and transportation departments. Now each board contributes employees to the joint department, which shares administrative expenses (except salaries) and is housed in a single office at the Bruce-Grey Catholic board office. Each board maintains its own accounting and purchasing computer systems.

Cooperative Model: Shared administration

Member Agencies:
This is a joint department between the Bruce-Grey Catholic District School Board and the Bluewater District School Board. The two boards also participate in some joint tenders with the counties of Bruce and Grey, and with local senior citizen organizations.

Description of goals and objectives:
The objectives of the combined purchasing department are to:

- improve efficiency
- standardize products and take advantage of volume discounts and reduced delivery costs
- have staff available to back up others in the case of absences from the office
- provide more support to schools and the system through a larger staff.

Main areas of business:
About 60 per cent of the joint department's purchases are joint tenders for both boards. Goods and services purchased cooperatively include furniture, school supplies, library books, textbooks, and maintenance contracts. Since amalgamation, the joint department has issued 155 common tenders.

Contact this group for information on:

- developing common purchasing policies and practices
- shared administration model of cooperative purchasing
- leadership from trustees and senior staff.

Contact:

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2. Catholic School Boards Services Association (CSBSA)

A Brief History of CSBSA:
This consortium was incorporated in 1998. The founding members comprised six Catholic district school boards in the Greater Toronto Area. An executive director was appointed in May 1999, to coordinate the CSBSA's activities.

Cooperative Model: Lead agency

Member Agencies:

Dufferin-Peel Catholic District School Board
Halton Catholic District School Board
Toronto Catholic District School Board
Simcoe Muskoka Catholic District School Board
Durham Catholic District School Board
York Catholic District School Board

Description of goals and objectives:

"CSBSA provides the opportunity for the six member boards to reduce costs, improve efficiencies and generate revenue by working co-operatively in the provision of goods and services to students." (Mission)

Main areas of business:
To date, CSBSA's major undertaking has been arranging a debt financing model/structure to address the acute capital construction needs of the member boards. CSBSA has also developed four project teams in the areas of 1) information technology, 2) purchasing, 3) capital development, and 4) benefits. These teams have initiated a variety of projects that have resulted in cost savings for the participating boards

Contact this group for information on:

- cooperative purchasing of complex (non-traditional) commodities
- strategic planning
- structure and governance (executive director)
- the future potential of virtual warehousing
- the development of databases to move towards greater standardization
- planning for deregulation of utilities.

Contact:
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Catholic School Boards Services Association
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3. Conseil ontarien des directions de l'éducation de langue française (CODELF)

A Brief History of CODELF:
The Committee of Directors of Education was established in 1998 by Ontario's 12 new French-language district school boards. The boards formed the association initially in order to capitalize on the availability of the Ministry of Education's school board restructuring funds for new ventures and to maximize the resources available to the newly created boards.

Cooperative Model: Lead agency

Member Agencies:
CODELF comprises Ontario's 12 French and French Catholic district school boards.

Description of goals and objectives:
This cooperative aims to:

- support Ontario's newly created French and French Catholic boards by creating new networks and increasing buying power
- ensure that the French and French Catholic boards are united
- maximize available financial resources.

Main areas of business:
CODELF has established contracts for:

- an integrated computerized accounting, human resources, and payroll system
- a student information system
- a teleconferencing system
- a financial services contract.

Contact this group for information on:

- province-wide cooperative ventures
- active role of directors of education in cooperative activities.

Contact:
Lise Gadoury
Conseil scolaire de district catholique Franco-Nord
Tel: (705) 472-1702
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4. Dufferin-Peel Catholic District School Board Elementary Core Resource Purchasing Process

A Brief History of the Elementary Core Resource Purchasing Process:
This purchasing process was established six years ago by the Dufferin-Peel Catholic District School Board.

Cooperative Model: This is not a cooperative, but rather a process for the selection of core classroom resource materials that involves a wide cross-section of teaching staff, school administrators, central academic and purchasing personnel, and publishers.

Description of goals and objectives:
This process was established to save costs, both by streamlining the purchasing process and by gaining leverage with publishers through volume. The process also aims to improve student achievement by:

- ensuring consistency, quality, and quantity of materials across grades and schools
- aligning materials purchased with Ministry of Education and board expectations
- achieving greater consistency in teaching practices through the purchase of consistent materials.

Contact this group for information on:

- the Core Resource Purchasing Process
- links between purchasing and program departments.

Contact:
Donna Lee Reid, C.P.P.
Purchasing Manager, Dufferin-Peel Catholic District School Board
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Beverly G. Williams
Superintendent of Program
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5. Elgin, Middlesex, Oxford Purchasing Cooperative

A Brief History of the Elgin, Middlesex, Oxford Purchasing Cooperative:
Prior to 1998, London-Middlesex, Oxford, and Elgin counties each operated a separate purchasing cooperative. On April 28, 1998, following the amalgamation of the counties in the region, the three cooperatives officially merged to form a single regional purchasing cooperative with a new constitution and terms of reference.

Cooperative Model: Lead Agency

Member Agencies:
The cooperative includes 37 public sector agencies, including the Thames Valley District School Board, the London Catholic District School Board, and the University of Western Ontario.

Description of goals and objectives:
"The purpose of the Group shall be to promote efficiency, economy and effectiveness in the purchasing management field by: jointly inviting tenders, proposals, and/or quotations; encouraging standardization of specifications; encouraging standardization of terms and conditions in tenders and quotations; exchanging market information; encouraging professional development; discussing any other issues as agreed upon by resolution of the Group."

Main areas of business:
Since its inception in the summer of 1998, the cooperative has been involved in 38 projects. They include the collaborative purchase of:

Courier services	Brokerage services	Computer diskettes	Photocopiers
Natural gas	Highway salt	Diesel fuel	Plumbing supplies
Fine paper/copy paper			

Contact this group for information on:

- Electronic bidding systems

Contact:
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6. Georgian Bay Area Public Purchasing Cooperative (GBAPPC)

A Brief History of GBAPPC:
This cooperative was established in 1993, and consisted of nine public-sector organizations. At that time, GBAPPC had a very informal structure, and focused on reducing costs through joint tenders for commodities. The cooperative's mandate has since expanded to include training and professional development for purchasing staff.

Cooperative Model: Lead agency

Member Agencies:
24 public-sector agencies including Simcoe County District School Board, Simcoe Muskoka Catholic District School Board, municipal and township offices, hospitals, social service agencies, utility commissions, and Georgian College.

Description of goals and objectives:
"Although the most visible result of the co-operative is the cost savings created through volume purchasing, the `soft' savings realized in networking and discovering better methods for materials management will have far greater long term effects. In addition, the monthly meetings provide a forum for case discussion and problem solving, which has helped many of the members find a solution to an ongoing problem." (Annual Report)

Main areas of business:
Professional development is a key focus for this cooperative. In 1999, GBAPPC hosted such seminars as "Restructuring the Hydro System" and "Y2K Concerns." GBAPPC jointly purchases the following commodities:

Long distance telephone services	Waste disposal containers	Toner and computer supplies	Customs broker fees
Janitorial supplies	Photocopiers	Lamps and ballasts	Office supplies

Contact this group for information on:

- professional development for public purchasers
- vendor relations

- annual report
- formal constitution
- method for tracking and reporting on savings.

Contact:

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(705) 739-4220 ext. 4409
(705) 739-4237

7. Halton Cooperative Purchasing Group (HCPG)

A Brief History of HCPG:
This cooperative was formed in 1974. The driving force behind its creation was the desire, on behalf of its members, to generate savings for Halton taxpayers and public sector agencies.

Cooperative Model: Lead agency

Member Agencies:
Halton District School Board, Halton Catholic District School Board, Regional Municipality of Halton, City of Burlington, Town of Milton, Milton Hydro Electric Commission, Burlington Public Library, City of Burlington, Town of Oakville, Town of Halton Hills, Oakville Public Library, Halton Region Conservation Authority.

Description of goals and objectives:
"To maximize the value of each tax dollar expended by working cooperatively to promote efficiency and economy of scale in the areas of purchasing and materials management through communication, standardization, avoidance of duplication and resource sharing."

Main areas of business:
Joint tenders for over 40 commodities including:

Asphalt	Cellular air Time	Furniture	Computer supplies
Office supplies	Fuel	Long-distance service	Janitorial supplies
Natural gas	Recycling services	Road salt	Fine paper
Visa purchasing card			

Contact this group for information on:

- Strategies to promote and market public-sector cooperative activities
- Strategic planning
- Annual reporting

- Calculating and reporting cost savings/avoidance
- Promoting professional development

Contact:
Charlotte Meissner
Business Manager, Oakville Public Library
Tel: (905) 815-2031
Fax: (905) 815-2024
Email: meissnec@opl.on.ca

8. Hamilton-Wentworth Purchasing Consortium

A Brief History of the Hamilton-Wentworth Purchasing Consortium:
The Consortium started about 15 years ago, since then members have cooperatively purchased commodities as needed. For the last few years, since the introduction of changes in the region such as school board amalgamation, the consortium has operated on a more informal basis.

Cooperative Model: Lead Agency

Member Agencies:
This public sector consortium includes Hamilton-Wentworth District School Board, Hamilton-Wentworth Catholic District School Board, Mohawk College, McMaster University, the City of Hamilton, the Region of Hamilton-Wentworth, Hamilton Steel Railway, the City of Stoney Creek, The Town of Dundas, and the Town of Ancaster.

Description of goals and objectives:
The consortium began and has continued based on the goal of realizing savings for the member agencies.

Main areas of business:

Office supplies	Fine paper	Paint	Cell phones
Elevator maintenace	Road salt		

Contact:
Mike Burjaw
Purchasing Manager
Hamilton-Wentworth District School Board
Tel: (905) 521-2528
Fax: (905) 521-2536
Email: mburjaw@hwdsb.on.ca

9. Intergovernmental Purchasing Group (IPG)

A Brief History of the IPG:
This very informal group has been discussing cooperative purchasing ventures for about 17 years. While the members do participate in joint tenders for a variety of commodities, they are not recognized as a formal cooperative by their own organizations.

Cooperative Model: Lead agency

Member Agencies:
Peel District School Board, Dufferin-Peel Catholic District School Board, City of Brampton, Regional Municipality of Peel, City of Mississauga, Town of Caledon.

Description of goals and objectives:
The group states that its goal is "To have our senior managers and politicians choose us above all other service providers to manage their strategic procurement programs and deliver their procurement services."

Main areas of business:
Joint tenders for an extensive list of commodities, including:

Cellular air time	Photocopiers	Envelopes	Fax machines
Fine paper	Fuel	Lamps and ballasts	Winter salt

IPG has been involved in two cooperative purchasing initiatives that also involved other public sector agencies. In the first, the Region of Peel and the City of Mississauga led a joint tender for a fibre optics network, and in the second, IPG was involved in a joint tender (led by Peel Police) for a radio system for police and fire needs.

Contact this group for information on:

- Joint purchasing of complex commodities (e.g., fibre optics network)
- "Coop Call Summary," which reports on cost savings.

Contact:
Donna Lee Reid, C.P.P.
Purchasing Manager, Dufferin-Peel Catholic District School Board
Tel: (905) 890-0708 ext. 4258
Fax: (905) 890-0483
Email: donna.lee.reid@dpcdsb.org

10. Kawartha Cooperative Purchasing Association

A Brief History of the Kawartha Cooperative Purchasing Association:
This association was formed more than 10 years ago by various public sector agencies in the Kawartha region. Buyers and purchasing managers in these agencies had a long history of working together, in some cases 15 or 20 years.

Cooperative Model: Buyers' network

Member Agencies:
Kawartha Pine Ridge District School Board, Trillium Lakelands District School Board, Peterborough Victoria Northumberland and Clarington Catholic District School Board, Trent University, Corporation of the City of Peterborough, Sir Sanford Fleming College, Peterborough Regional Health Centre, Five Counties Children's Centre, County of Peterborough, Peterborough Utilities Commission, County of Victoria.

Description of goals and objectives:
The Kawartha Cooperative Purchasing Association was formed to:

- increase information sharing among members
- save money through joint purchasing
- improve relationships with local vendors.

Main areas of business:
While the association feels that its primary focus is the *process* of purchasing, rather than actually bidding on a set list of commodities, it has established joint contracts for commodities such as natural gas, fuels, and photocopy paper.

Contact this group for information on:

- communications strategies
- local vendor relations
- networking strategies.

Contact:
Stephen MacPhee
Supervisor, Purchasing
Peterborough Victoria Northumberland and Clarington Catholic District School Board
Tel: (705) 748-4861 ext. 234
Fax: (705) 748-4293
Email: smacphee@pvnccdsb.on.ca

11. Lakehead Purchasing Consortium

A Brief History of the Lakehead Purchasing Consortium:
This consortium was established in 1990 when its founding members joined together to tender for natural gas. Since then its list of commodities has grown to 12 items, and there are 12 member

organizations.

Cooperative Model: Lead agency

Member Agencies:
Lakehead District School Board, Thunder Bay Catholic District School Board, City of Thunder Bay, Confederation College, Thunder Bay Public Library, Hogarth Westmount Hospital, St. Joseph's Care Group, Thunder Bay Airport Authority, Northern School Resource Alliance, Lakehead University, Thunder Bay Regional Hospital, Lakehead Regional Family Centre.

Description of goals and objectives:
The consortium was established to "realize the efficiencies and financial benefits of cooperative purchasing." Additional objectives are standardization of specifications, information sharing, and the joint study and evaluation of new supply management processes.

Main areas of business:
To date, the consortium has jointly tendered for the following 12 goods and services:

Custodial paper	Garbage bags	Copier paper	Computer paper
Refuse removal	Linen	Lighting	Custodial supplies
Fire alarm testing and inspection	Natural gas	Courier service	Travel

Contact this group for information on:

- tracking and reporting savings
- annual report
- vendor relations
- constitution and terms of reference

Contact:
Tom Eaton
Thunder Bay Catholic District School Board
Tel: (807) 625-1510
Fax: (807) 625-1583
Email: teaton@tbcdsb.on.ca

12. Niagara Public Purchasing Committee (NPPC)

A Brief History of NPPC:
NPPC was established in 1978. The original members knew one another well, and realized that their organizations could benefit from cooperative purchasing. The committee has grown, slowly and carefully, to involve more than 40 public agencies in the Niagara Region.

Cooperative Model: Lead agency

Member Agencies:

More than 40 public agencies in the Niagara Region participate, on a voluntary basis, in this cooperative. About 35 members participate in the most frequently purchased commodities. The Niagara and Niagara Catholic district school boards are both members of this cooperative.

Description of goals and objectives:
"It is the mission of the Niagara Public Purchasing Committee to provide a forum for Purchasing Managers to exchange information and to derive the maximum value for each dollar spent to the mutual benefit of the agencies involved. All of this through cooperation and Professional Purchasing Practices."

Main areas of business:
Joint tenders for a wide variety of commodities, including:

Asphalt	Lubricants	Garbage bags	Lamps and ballasts
Fine papers	Elevator servicing	Natural gas	Waste disposal
Batteries	Road salt	Culvert pipe	Snow fence and posts
Fuels (gasoline, domestic oil, propane)	Wireless communications		Fire extinguisher service

Contact this group for information on:

- constitution
- long-term strategic planning
- membership growth
- strategies to monitor cost savings.

Contact:
Gary Meek
Purchasing Coordinator
Regional Municipality of Niagara
Tel: (905) 984-3658
Fax: (905) 682-8521
Email: gmeek@regional.niagara.on.ca

13. Northern School Resource Alliance

A Brief History of the Northern School Resource Alliance:
This organization was established in 1977 with the support of the Ministry of Education. Its goal was to support small and/or isolated Northern Ontario school boards, Native education authorities, and private schools in the areas of business services and student support. Over the years, the organization has evolved and is now governed by its member educational bodies, has dedicated staff, and operates on a fee-for-service basis.

Cooperative Model: Regional service agency

Member Agencies:
The Alliance has both voting members and non-voting purchasers. Both are considered *clients* of the Alliance when they make requests for products and services. Current members include the following school authorities:

Northern District School Area Board	Caramat District School Area Board
Collins District School Area Board	Nakina District School Area Board
Upsala District School Area Board	Ignace District Roman Catholic Separate School Board
Mine Centre District School Area Board	Connell & Ponsford District School Area Board
Atikokan Roman Catholic Separate School Board	Red Lake Area Combined Roman Catholic Separate School Board

Current Associate Members include the Northwest Catholic District School Board, Summer Beaver District School Area Board, Hornepayne Roman Catholic Separate School Board, and the Grassy Narrows Education Authority, Inc.

Description of goals and objectives:
"The Northern School Resource Alliance is in business to provide customized administrative and curriculum services to members and clients in order to meet the educational needs in a cost efficient manner."

Main areas of business:
The Northern School Resource Alliance offers services in the following areas:

Business and financial	Educational consulting
Professional growth	Supervisory officer support
Territorial student program	Special projects
Supervisory services	Social counselling
School council support	Information technology
Negotiations and dispute resolution	
Internet connectivity support	

The Alliance also brokers services in architectural and engineering services, human resources, occupational health and safety services, and legal services.

Contact this group for information on:

- Communications and marketing
- Web site (www.resourcenorth.com)
- Collaboration in non-traditional areas

Contact:
Fred Porter
Chief Executive Officer
Northern School Resource Alliance
Tel: (807) 475-6989
Fax: (807) 475-6945
Email: fporter@resourcenorth.com

14. Northwestern Ontario Cooperative

A Brief History of the Northwestern Ontario Cooperative:
This cooperative was established in June 1999 by 10 public-sector organizations in northwestern Ontario. It is currently primarily a partnership between the Kenora Catholic board and the Keewatin-Patricia board, with some piggybacking built into contracts for other members to access.

Cooperative Model: Buyers' network

Member Agencies:
Keewatin-Patricia District School Board, Kenora Catholic District School Board, Rainy River District School Board, Northwest Catholic District School Board, Corporation of the City of Dryden, Sioux Lookout District Health Centre, Town of Sioux Lookout, Patricia Region Senior Services Inc., Sioux Lookout Zone Hospital, Township of Sioux Narrows.

Description of goals and objectives:
This cooperative's objective is to promote efficiency in the purchasing and supply management field by a) jointly inviting tenders or quotations for commonly used items, b) encouraging standardization, and c) exchanging market information and technical assistance among members.

Main areas of business:
To date, the cooperative has tendered jointly for paper, fire alarm testing, general supplies, and computers. Members have also expressed interest in joint tenders for energy management services, school supplies, and fuel oil.

Contact this group for information on:

- use of technology to overcome distance challenges
- tracking and reporting progress and cost savings.

Contact:
Arlene Szestopalow
Purchasing Officer, Keewatin-Patricia District School Board
Tel: (807) 468-5571 ext. 253
Fax: (807) 468-3857
Email: arlene.szestopalow@kpdsb.on.ca

15. Ontario Member School Board Association

A Brief History of the Ontario Member School Board Association:
The Association began in 1997. Its membership comprised 16 public school boards, which has fallen to 8 since amalgamation. Membership has been at the Director level, but there is also a committee

structure. There is a procurement committee of purchasing representatives from the member agencies.

Cooperative Model: Lead agency

Member Agencies:
Peel District School Board, Halton District School Board, Hamilton-Wentworth District School Board, The District School Board of Niagara, Waterloo Region District School Board, Thames Valley District School Board, Upper Grand District School Board, and Grand Erie District School Board.

Description of goals and objectives:
The intent has been to generate revenue and to generate efficiencies. Rather than look to particular commodities to generate savings, the Association has focused on standardizing the supply chain for a large number of items.

Main areas of business:

- Procurement of a large number of common items and equipment
- The concept of large-scale single warehouse/delivery/supply management.

Contact:
Mike Burjaw
Purchasing Manager
Tel: (905) 521-2528
Fax: (905) 521-2536
Email: mburjaw@hwdsb.on.ca

16. Ottawa-Carleton Educational Purchasing Corporation (OCEPC)

A Brief History of OCEPC:
In 1993, the *Bourne Report* recommended that school boards in the Ottawa-Carleton Region "aggressively pursue development of an administrative and support services consortium." As a result, OCEPC was incorporated in 1996.

Cooperative Model: Shared administration

Member Agencies:
Ottawa-Carleton District School Board, Ottawa-Carleton Catholic District School Board, Conseil scolaire de district catholique du Centre-Est de l'Ontario, Conseil scolaire de district du l'Est de l'Ontario.

Description of goals and objectives:

- identify the goods and services used by its members

- establish common standards for such goods and services
- ensure uniformity in the procurement of such goods and services among its members
- arrange for the supply of goods and services to its members, and achieve overall cost savings for each such member in regard to such supply.

Main areas of business:
Assigned products and services tendered by OCEPC include:

Alarm monitoring	Paper supplies	Vehicles	Classroom furniture
Computers	Consumables	Fax machines	Fuel oil
Library supplies	Milk service	Printers	Recycling

Other products and services tendered by OCEPC include natural gas, photocopiers, and telecommunications, among others.

Contact this group for information on:

- shared administration
- strategies to facilitate cooperative purchasing of more complex commodities.

Contact:
Jacques Marcil
Head Buyer
Ottawa-Carleton Educational Purchasing Corporation
Tel: (613) 831-5686 ext. 301
Fax: (613) 831-5692
Email: jacques_marcil@ocdsb.edu.on.ca

17. St. Lawrence Seaway Purchasing Cooperative

A Brief History of the St. Lawrence Seaway Purchasing Cooperative:
Prior to the establishment of a formal cooperative, the school boards in the St. Lawrence Seaway Region had established some informal cooperative ventures. Then, in the mid-1990s, a consultant's study indicated that good potential existed for greater collaboration in the area of purchasing. The boards received transition assistance funds from the Ministry of Education for this venture.

Cooperative Model: Lead agency

Member Agencies:

Upper Canada District School Board	Limestone District School Board
Hastings and Prince Edward District School Board	Catholic District School Board of Eastern Ontario
Algonquin and Lakeshore Catholic District School Board	St. Lawrence College of Applied Arts and Technology

Description of goals and objectives:
According to the cooperative's constitution, its goals are to:

- promote closer cooperation, the exchange of information, and interaction among members
- jointly invite tenders for commonly used items
- encourage standardization of specifications for commonly used items
- exchange information about markets, vendors, and purchasing
- encourage professional development through joint study.

Main areas of business:

Paper products	Printer supplies	Art supplies	Garbage bags
Audio-visual equipment	Classroom furniture	Cellular telephones	Toilet paper
Classroom consumables			

Contact this group for information on:

- constitution
- regional approach to cooperative purchasing.

Contact:
Ron MacLaren
Comptroller of Purchasing Services
Upper Canada District School Board
Tel: (613) 342-0435 ext. 1271
Fax: (613) 342-7444
Email: maclarenr@ucdsb.on.ca

18. Sudbury Regional Buying Group (SRBG)

A Brief History of SRBG:
In 1993, all public-sector organizations in the Sudbury area faced tremendous pressure to downsize their operations and reduce costs. Consequently, seven public-sector agencies developed the Sudbury Regional Buying Group.

Cooperative Model: Lead agency

Member Agencies:
Rainbow District School Board, Conseil scolaire de district catholique du Nouvel-Ontario, Sudbury Catholic District School Board, Conseil scolaire de district du Grand Nord de l'Ontario, Cambrian College, Laurentian University, The Regional Municipality of Sudbury and six surrounding towns (currently being restructured), Sudbury Regional Hospital, College Boreal, Sudbury Hydro, Ministry of Northern Development and Mines.

Description of goals and objectives:

To "derive maximum value for each dollar spent and to promote efficiency in purchasing and material management." This is to be achieved by joint tendering, standardization, exchanging market information, encouraging professional development, and the development of long-range strategies for cost containment.

Main areas of business:
The cooperative jointly purchases natural gas, lamps and ballasts, fine paper, fuels (oil, diesel, and gasoline), school supplies, and winter salt and sand.

Contact this group for information on:

- strategies to facilitate cooperation among school systems
- strategies to support vendor relations
- development of common terms and conditions.

Contact:
Peter Duncan
Assistant Manager of Finance
Rainbow District School Board
Tel: (705) 674-3171 ext. 290
Fax: (705) 674-5471
Email: duncanp@rainbow.on.ca

19. Toronto District School Board Purchasing and Distribution Services Department
(formerly the Public School Boards of Metropolitan Toronto Purchasing and Warehousing Cooperative)

A Brief History of the Purchasing and Distribution Services Department:
The Metro Cooperative, as it was known before the transition in 1998 to the new district school boards, was officially formed in September 1996, following extensive research and trials. The cooperative took on the purchasing, warehousing, and distribution functions of each of its member boards. The cooperative's goal was to downsize the purchasing and distribution functions of Metro Toronto's public school boards, in response to funding cutbacks. Following the school board amalgamations and restructuring, the Metro Cooperative became the Purchasing and Distribution Services Department of the new, amalgamated Toronto District School Board.

Cooperative Model: Shared administration

Former Member Agencies:
Toronto Board of Education, City of York Board of Education, East York Board of Education, North York Board of Education, CEFCUT (French board of education), Metro Toronto Board of Education, Etobicoke Board of Education.

Description of goals and objectives:

- to identify and realize opportunities for cost savings and service improvements
- to employ the combined resources of the former public boards to establish and maintain economical and effective practices in purchasing and warehousing operations.

Main areas of business:
The Metro Cooperative purchased, warehoused, and distributed goods and services on behalf of its member school boards. It tendered cooperatively for a wide range of goods and services. A small sample includes:

Appliances	Furniture (classroom and office)	Cafeteria catering services and supplies	Office supplies
Classroom supplies	Purchase card services	Paper supplies	Snow plowing
Photocopying and digital duplicating services	Student transportation services	Computers and software	Writing and drawing instruments

Contact this group for information on:

- customer service models
- monitoring and reporting savings
- shared administration model (structure and governance)
- cost-recovery warehousing.
- online catalogue and ordering system
- employee involvement and joint decision making

Contact:
Terry Kyritsis
Senior Manager, Purchasing and Distribution Services
Toronto District School Board
Tel: (416) 397-2511
Fax: (416) 204-5491
Email: terry.kyritsis@tdsb.on.ca

20. Cooperative Purchasing Group of Waterloo

A Brief History of the Cooperative Purchasing Group of Waterloo:
Following a 1978 report from the Waterloo Region Review Commission, the purchasing departments of Waterloo Region's four main municipalities agreed to informally practise cooperative purchasing. In 1990 the group adopted terms of reference. In 1994 the cooperative expanded to include school boards, colleges, and universities.

Cooperative Model: Lead agency

Member Agencies:
Waterloo Region District School Board, Waterloo Catholic District School Board, Region of Waterloo, Wilfrid Laurier and Waterloo universities, three area hospitals, Cities of Waterloo,

Cambridge, and Kitchener, Conestoga College, local conservation authority, area hydro authorities.

Description of goals and objectives:
"The Cooperative Purchasing Group is dedicated to providing optimum value and resources to its member agencies and client groups through innovative and progressive procurement methods, practices and techniques." (Mission)

Main areas of business:
Today, the cooperative's most common jointly tendered commodity is paper supplies. In total, 26 shared commodities are purchased jointly through the cooperative, including:

Asphalt emulsions	Calcium chloride	Diesel fuel	Gasoline
Garbage bags	Health supplies	Heating fuel	Highway coarse salt
Lamps and ballasts	Photocopiers	Pool chemicals	Sign posts
Removal of waste oil, paints, solvents	Domestic water meters	Window cleaning	Manhole/catch basins

Contact this group for information on:

- communications and marketing
- web Site (www.adm.uwaterloo.ca/infopur/index.html)

Contact:
John Doerr
Waterloo Catholic District School Board
Tel: (519) 578-3660
Fax: (519) 578-9967
Email: jdoerr@wcdsb.edu.on.ca

21. Wellington County Public Sector Consortium

A Brief History of WCPSC:
This consortium was formed in 1993 by the former Wellington Catholic and Wellington public school boards and the Guelph Cooperative Purchasing Group. The new consortium received $300,000 in transition assistance funds from the Ministry of Education.

The Guelph Cooperative Purchasing Group had been in existence since 1981. It is now the purchasing working group of the Wellington County Public Sector Consortium.

A very successful "Futures Symposium" held by the new consortium convinced the members' chief executive officers of the potential benefits of the consortium. Consequently, a coordinator was hired to oversee administrative functions of the consortium.

Cooperative Model (for purchasing group work): Lead agency

Member Agencies:
Upper Grand District School Board, Wellington Catholic District School Board, The Corporation of

the City of Guelph, Guelph General Hospital and St. Joseph's Hospital and Home, Homewood Health Centre Inc., The County of Wellington, The Elliott Group, Groves Memorial Community Hospital, Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), The University of Guelph, Guelph Hydro.

The Group also has a link with a Waterloo buying group through the City of Cambridge, which sends a representative to each WCPSC meeting.

Description of goals and objectives:
The WCPSC's vision is to "deliver superior service through sharing and maximizing resources."

The Guelph Cooperative Purchasing Group, which is the purchasing working group of the larger Wellington County consortium, states that its goal is to engage in cooperative purchasing "as a means of reducing costs of goods and services by permitting purchasing in larger volumes and at lower unit prices; and by avoiding possible duplication of effort or expense."

The purchasing work group also states that "The purpose of the Group shall be to promote efficiency in the purchasing and material management field by:

- Jointly inviting tenders, proposals, and/or quotations for commonly used items
- Encouraging standardization of specifications for commonly used items
- Exchanging market information
- Encouraging professional development
- Any other method agreed upon by resolution of the Group."

Main areas of business:
The consortium works cooperatively in a number of areas beyond simple purchasing. These areas are organized into working groups, which include:

Human resources (e.g., policy development, management and leadership skills)	Purchasing (e.g., training for various groups, paper and office supplies)	Operations (e.g., shared lawn maintenance, health and safety training)	Utilities (e.g., natural gas, telecommunications, and electricity)
Health and Safety (e.g., flu shots, certification courses)	Cash Consortium (financial services)	Information services (e.g., training, wide area network)	Media Training

Contact this group for information on:

- specialized work groups (including the cash and natural gas consortia)
- web site (www.wcpsc.guelph.on.ca)
- involvement of chief executive officers
- annual general meetings
- communication strategies

Contact:
Kim Denstedt
Coordinator
Welllington County Public Sector Consortium
Tel: (519) 821-6195
Fax: (519) 821-5043
Email: kimd@psresourcegroup.com

22. Windsor-Essex Purchasing Cooperative

A Brief History of the Windsor-Essex Purchasing Cooperative:
Members of the cooperative first came together in the early 1990s. This is an informal cooperative that allows member agencies to participate in a small range of joint tenders. Many members are also partners in Gas Consortium and in WEDNet, a joint wide-area network project being developed in the Windsor-Essex region.

Co-operative Model: Lead Agency

Member Agencies:
Greater Essex County District School Board, Conseil scolaire de district des écoles catholiques du Sud-Ouest, Windsor-Essex Catholic District School Board, The Corporation of the City of Windsor, Windsor Regional Hospital, Windsor Regional Hospital, Windsor Housing Authority, The University of Windsor, Regional Utility Commissions, St. Clair College of Applied Arts and Technology.

Main areas of business:

Natural gas	Fine paper	School supplies	Garbage bags
Wide-area network technology	Physical education supplies	Swimming pool chemicals	Long distance telephone service
Janitorial supplies			

Contact this group for information on:

- Cooperative purchase and implementation of technology systems

Contact:
Robert Bailey
Greater Essex County District School Board
Tel: (519) 255-3252
Fax: (519) 255-1514
Email: bob_bailey@gecdsb.on.ca

23. York Region District School Board:
a) Purchasing Cooperative with the York Region Catholic District School Board
b) The York Region Buyers Group

A Brief History of the cooperative purchasing ventures of the York Region District School Board:
The York Region and York Catholic district school boards have been purchasing cooperatively since the early 1990s. The York Region board is also involved with the York Public Buyers Cooperative, which was established about 15 years ago by 3 municipalities in York Region.

Cooperative Model: Both cooperatives use the lead agency model

Member Agencies:
a) The York Region District School Board and the York Region Catholic District School Board.

b) Members include the above district school boards, York University, a conservation authority, townships, libraries, regional hydro authorities, and a community college.

Description of goals and objectives:
a) Objectives of the purchasing cooperative of the two school boards:

- cost savings through shared administration
- information sharing and best value through joint ventures.

b) Objectives of the York Region Buyers Group:

- to engage in cooperative purchasing in order to save administrative time and improve the efficiency of purchasing processes.

Main areas of business:
a) The two school boards have standardized a large number of their common commodities. The York Region board reports that about 70 per cent of its total annual purchases are made in cooperation with the York Region Catholic board.

b) The York Region Buyers' Group is involved in a wide variety of goods and services. The York Region board is the lead agency for waste disposal, cellular telephones, paper, long distance telephone services, audio-visual services, and caretaking supplies.

Contact this group for information on:

- monitoring and reporting savings
- annual vendor workshop
- plant cooperative
- communications strategies

Contact:
Ossie Roberts
York Region District School Board
Tel: (416) 969-7170 ext. 2231
Fax: (905) 727-1931
Email:

7. Other Sites Consulted in Canada and the United States

State or Provincial Departments

Alberta Learning, Government of Alberta

Anglophone Provincial Board of Education, New Brunswick

Arizona Department of Administration, Management Services Division, Purchasing Office

Arizona Department of Education

State of California Department of General Services, Procurement Division

Manitoba "MASH" Sector Purchasing Authorities

Michigan Schools Energy Cooperative

New Brunswick Supplies and Services Department

Newfoundland Department of Education

New York State Department of Education

Government of Northwest Territories

Nova Scotia Department of Finance, Procurement Branch

Government of Nunavut

Office of Purchasing, State of Michigan

Oregon Department of Administrative Services, Purchasing Sector

School Districts 14, 15, 16, New Brunswick

Prince Edward Island Department of Education

Purchasing Commission, Government of British Columbia

Ministère de l'éducation du Québec

Ministère des finances du Québec

Saskatchewan Education, The Government of Saskatchewan

Saskatchewan Property Management Corporation

State of Texas Procurement Services Division, Texas Cooperative Purchasing Program

Texas Local Government State-wide Purchasing Cooperative

Yukon Government

County or Regional Offices

Central Alberta Regional Consortium

Central Texas Purchasing Centre, Region XIII

Los Angeles County Office of Education

Sacramento County Office of Education

Municipal Cooperatives

Calgary Regional Consortium

City of Portland, Bureau of Purchases

Urban Purchasing Committee
(Winnipeg School Division No.1, Assiniboine South No. 3, River East No. 9), Winnipeg, Manitoba

School Boards or School Districts

Annapolis Valley Regional School Board, Nova Scotia

Burin Peninsula, District 7, School Board, Newfoundland

Calgary Board of Education, Alberta

Commission scolaire central Quebec, Sillery, Quebec

Commission scolaire de Montréal, Québec

Corner Brook/Deer Lake/St. Barbe South, District 3, Newfoundland

Eastern School District, Charlottetown, Prince Edward Island

Halifax Regional School Board, Nova Scotia

Langley School District #35, British Columbia

Lester B. Pearson School Board, Beaconsfield, Quebec

Los Angeles Unified School District, Purchasing Branch

Medicine Hat Catholic Board of Education, Alberta

Nassau Board of Cooperative Educational Services, Long Island, New York

New York City Board of Education

Paradise Valley Unified School District No. 69, Tucson, Arizona

Red Deer Public School District, Alberta

River East School Division #9, Winnipeg, Manitoba

Saskatchewan Rivers School Division #119 Board of Education

Saskatoon Catholic Board of Education

Saskatoon Public School Division, Saskatchewan

Sr. Wilfrid Laurier School Board, Laval, Quebec

Tuscon Unified School District, Purchasing and Warehouse Services

Vancouver School Board

Associations

Arizona Association of School Business Officials

Michigan Association of School Boards

Michigan Public Purchasing Officers Association

New York State Association of School Business Officials

Nova Scotia School Boards Association

Ontario Public Buyers Association

regon Public Purchasing Association

Purchasing Management Association of Canada

Saskatchewan School Trustees Association

Texas Association of Business Officials

Other

Canadian Council for Public/Private Partnerships

Mohave Education Services Cooperative

Centre for the Study of Cooperatives - University of Saskatchewan

National Institute of Government Purchasing Inc.

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